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Testimony on PA DEP's Carbon Cap and Invest Program

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I am Liz Robinson, Executive Director of the Philadelphia Solar Energy Association (“PSEA”). PSEA strongly supports the carbon trading program and urges that the regulations be promptly finalized and implemented.

REGIONAL GREENHOUSE GAS INITIATIVE (RGGI)

The ten existing RGGI states have benefitted significantly from this carbon market. Pennsylvania needs to participate in RGGI for a whole host of reasons: environmental, economic, and health. Existing RGGI states have reinvested the vast majority of carbon allowance revenues into energy efficiency and renewable energy in their states.¹ This investment in clean energy has accomplished several very important goals: contrary to what the coal and gas industries would have you believe, it has **reduced energy bills** for all classes of customers and it has actually **lowered the price of energy** by reducing the demand for energy.

As evidenced in the recent Acadia study,² a carbon market will be extremely beneficial to all Pennsylvanians by:

- Helping to **stabilize our energy market, providing security** to consumers and producers alike;
- **Lowering greenhouse gas emissions** significantly and steadily;
- **Creating tens of thousands of local jobs** statewide; Granted we may lose some of the remaining 1,350 coal jobs in PA, but estimates suggest that RGGI will create as many as 100,000 clean energy jobs statewide.³ This is absolutely vital for our economic recovery given that PA has lost approximately 500,000 jobs since March of this year.
- **RGGI will spur the economy statewide**, including such important sectors as manufacturing, agriculture and IT;

¹ RGGI Inc, “Investment of RGGI Proceeds”

² Acadia Center: RGGI: Ten Years in Review, 2019

³ U.S. Bureau of Labor Statistics May 2019 State Occupational Employment and Wage Estimates

- **RGGI will improve public health** by lowering asthma rates and other respiratory diseases; and,
- **Lower energy prices and costs.**

As the third-highest emitter of carbon pollution in the nation, Pennsylvania releases more carbon into the atmosphere than all the other RGGI states combined.

To meet the state's goal of reducing emissions 80% by 2050, PA must reduce CO₂ emissions by at least 3% per year. The Intergovernmental Panel on Climate Change ("IPCC") finds that global emissions need to be cut in half by 2030 and be reduced to net zero by 2050, which for PA would mean a reduction of 5% per year for the next ten years.

To achieve the necessary carbon reductions, PA will need to implement a suite of complementary policies to quickly reduce energy waste and increase our energy production from carbon-free renewable energy sources. In order to maximize consumer benefit, it is key to reduce carbon emissions cost effectively through a market based approach like RGGI.

PSEA strongly recommends that PA invest the majority of the annual RGGI auction proceeds into energy efficiency ("EE") and renewable energy ("RE") projects within our borders. Not only is this the most cost effective way to improve air quality statewide by permanently driving down carbon emissions, it will create tens of thousands of local jobs, spur economic development in every corner of the state and reduce energy costs.

PA has a track record of supporting high quality solar programs, including the largest Solarize program in the country (Solarize Philly), the solar share requirement in the Alternative Energy Portfolio Standard, and solar projects supported by our regional Sustainable Energy Funds and DEP. It is now time to dramatically increase the scale of those efforts. Solar energy needs to be rapidly expanded in PA, not just to reduce carbon emissions, but to help get our economy back on track after this pandemic, and to strengthen parts of our state's economy that are having severe difficulty, such as dairy farms and other parts of the agricultural industry.

Pennsylvania has been a national leader in energy since the 1700's when coal was first put to use. Coal, oil, nuclear and natural gas have each taken a turn in the spotlight. Unfortunately, Pennsylvania's nuclear fleet, which now provides 42% of our electricity, will not last forever. When the nuclear plants retire, we must replace them with clean energy. To do that we must expand our renewable energy industries now.

With climate change bearing down, we must transition to clean energy, principally energy efficiency, solar and wind. Pennsylvania can continue to be an energy leader if we act resolutely and with deliberate speed. The Philadelphia Solar Energy Association urges the Environmental Quality Board to support RGGI and implement it as quickly as possible.